

## COMMITTEE ON FINANCE

**May 3, 2001**

**6:00 PM**

Mayor Baines called the meeting to order.

Mayor Baines called for the Pledge of Allegiance, this function being led by Alderman Sysyn.

A moment of silent prayer was observed.

The Clerk called the roll.

Present: Aldermen Wihby, Gatsas, Sysyn, Clancy, Pinard, O'Neil, Lopez, Shea, Pariseau, Cashin, Thibault (late) and Hirschmann

Absent: Aldermen Levasseur and Vaillancourt

Messrs: Chief Driscoll, Deputy Chief Robinson, Deputy Chief Stewart, Deputy Chief Duffey, Paul Beaudoin, Chief Kane, Deputy Chief Albin, Deputy Chief Monnelly, and Brent Lemire

Mayor Baines stated before we start I asked Wayne to put together some estimates of what we are talking about. The two departments we are talking about tonight – Police and Fire budgets, total \$32.4 million and salaries and benefits total \$32.9 million or 96% of the total and operating expenses total approximately \$1.5 million or 4% of the total. Obviously these are very labor intensive departments. I just wanted everyone to be aware of that.

Alderman Gatsas stated I don't think that is right.

Mayor Baines replied the salaries and benefits are \$30.4 million.

### **Police Department**

Chief Driscoll stated good evening members of the Board and thank you for this opportunity. I am here with four members of my staff. To my right is our Business Service Officer, Paul Beaudoin, who has worked very hard both on the presentation and the numbers. To my left is Deputy Chief Dale Robinson who heads up the Administration Division. To my rear is Deputy Chief Bob Duffey who is the Deputy Chief in charge of the patrol division and next to him is Deputy

Chief James Stewart who is in charge of criminal investigations. I also should thank the many people at the Manchester Police Department who have worked with us to prepare this budget for your perusal tonight. I would also like to thank the community, as well as MCTV for the ability to broadcast this to the community. I would also point out that the presentation is on our website. Our website is [www.manchesterpd.com](http://www.manchesterpd.com). Anyone who would like to actually see it after looking at it on the TV screen could go to the website and see it. I would like to talk to you about three things tonight. I would like to talk to you about our budget. I would like to talk to you about the vehicles, our police cruisers, and I would also like to talk to you about the juvenile prosecutor position just very briefly. If you would... I guess you already have our mission statement that is before you. I am not going to read it to you, but it talks basically about four things. It talks about the organizational responsibilities, our organizational philosophy, our service goals and the manner in which we deliver services to the community. This mission statement was written pre-1989 when we first became nationally accredited. It was updated a few years ago at a work session by our staff and I am quite comfortable with it. It is what we do. We deliver public safety to the community. The next slide is goals and objectives. We do month goals and objectives. Each one of the three divisions do that and present them to me. That is what they work toward during the month. This, however, is broad goals and objectives done for the year. The top three are basically what we hope to accomplish and what the community requires of us. What the community really wants from their police department is they want to be safe in their homes, they want to be safe on the roadways and third they want their children safe in schools. Those are our top three priorities. They are general and they are very broad. The three things below those are things that we would hope to accomplish this year. They are the tools that we need to continue to provide public safety. Although it was not included in the CIP budget this year, we had hoped that the Board of Mayor and Aldermen would identify a location for a new police headquarters. We want very badly to continue our national accreditation standards, as well as provide appropriate training and executive development for our staff. We need to stay ahead of the curve to be proactive and prevent crimes in Manchester. The next slide is the functions and programs. It is basically a department profile. We are broken into three areas – patrol, investigations and support. If I were to draw a line basically under the left hand column where it says third relief, right across there, those basically above the line would be the required services with the exception of a couple and below the line are the proactive preventative services that we provide to the community; things that we believe are most, most important. If you were to go across I would tell you and you will probably see this on the next slide that the patrol division has 155 people, the investigations division has 61 people and the support division, which includes the communications division has 69 people. Patrol is a 24-hour a day function of course. Investigations are 17 hours a day and support obviously is 24 hours a day. The

next slide is the distribution of personnel within our organization. I realize it is kind of tough to see on the graph, but it is a detailed chart of our organization and it also shows the Police Commission, which is not included in our complement obviously, but it shows at the top that we have 288 employees. Now that consists of 202 sworn personnel, 78 civilians and 7 part-time equivalents. Those are the crossing guards that work throughout the City on a day-to-day basis. The span of control in the patrol division is 11-13. Generally nationally accepted numbers for 100,000 population is 2.7 so if we were to follow nationally accepted numbers we would have about 270 sworn police officers. Once again the number that we do have is 202. The next slide shows full-time equivalents. Once again, the number is 288. It shows that in FY99 we went from 284 to 288 in FY00. However, we did not add those officers until January 1, 2001. So, the department did grow by four. The next slide is a little bit of an illustration of what the Mayor was referring to relative to the breakdown of our budget. It shows the four different categories. This year our request was 1% capital, 5% expenses, 18% benefits and 76% salary. Salary and benefits equal 94% of our budget, which is quite a bit but working 24 hours a day, 365 days a year that is the way it shakes out. Public safety is, as the Mayor pointed out, very labor intensive. The following chart is our budget request. Now this gets a little bit complicated. In my past appearances before the Board of Mayor and Aldermen, we...

Alderman Hirschmann interjected can we go back to that slide with the bar graph.

Chief Driscoll stated sure.

Alderman Hirschmann stated it shows your benefits having a reduction this year.

Chief Driscoll replied the percentage of the budget is reduced. It doesn't say that the benefits themselves are reduced. It says the percentage of the budget overall.

Alderman Hirschmann responded thank you.

Chief Driscoll stated this shows the breakdown by the three divisions within the Police Department. The investigative, support and patrol, salaries and benefits, operating expenses and capital and it shows the bottom line, which was our request of \$17,809,720. Once again, this does get a little bit complicated because there was an addition...after the budget came out there was an error made and we reviewed the error with the Mayor's office and there was some money added. This is our request. This was not the Mayor's number. The \$17.809 million was our request. The Mayor's number at this moment is \$17,634,220. There is a difference of \$175,500. Is everybody okay up to this point?

Alderman Lopez stated I am looking at \$17,534,220 and you said \$17,634,220.

Chief Driscoll replied yes and maybe Wayne could help me out here but there was an error made. Actually two line items were left off the budget when it was put together and we met with Wayne and that has basically been resolved.

Mayor Baines stated it was misinformation we received from Human Resources and it was \$100,000 for uniform replacement and the other was staff development.

Chief Driscoll stated I think that...actually there were two. There was one for \$100,000 that was uniforms and staff development of \$6,500. The \$100,000 has been added in but the other one has not. The Mayor's number I think we agree and have reconciled and it is \$17,634,220.

Alderman Wihby asked the Mayor's recommended number is what.

Chief Driscoll answered \$17,634,220.

Alderman Wihby stated the print out that I have says \$17,534,220. That was the Mayor's number.

Chief Driscoll stated it was and I think that was what we spoke about. We agreed that there was an error in that number. The two line items.

Alderman Wihby replied but what is in front of the Aldermen right now is \$17,534,220. If it doesn't change, you are only getting \$17,534,220. You are not going to get the \$17,634,220. This \$17,534,220 is the number that we have in front of us right now. It is not \$17,634,220.

Chief Driscoll stated I was under the impression that we agreed that there was \$100,000...

Alderman Wihby interjected you might have agreed to it but what this Board passed when we accepted...

Mayor Baines interjected that got added to it that night, Alderman. The very next day.

Alderman Wihby stated it doesn't matter. We accepted your budget and it was \$17,534,220 and that is the number we have in front of us right now. If this Board doesn't change the number and get approval to override you or whatever is going to be done later on, the \$17,534,220 is going to be the number because that is the number that came out that night.

Mayor Baines replied I don't believe so. Before we passed the Resolution remember I spoke to you about that and I spoke to Alderman Cashin about it.

Alderman Wihby responded I thought that was in personnel.

Mayor Baines replied no. That was the number that we changed that night.

Alderman Wihby asked so the \$100,000 that we talked about that was a mistake was in personnel but it belonged to the Police Department.

Mayor Baines answered that is correct.

Alderman Wihby stated so it was only that one mistake and the total budget was changed.

Mayor Baines replied that is correct. It was added before we passed the Resolution.

Chief Driscoll stated the next slide shows, and this is a new slide that was not included in our previous presentation but we sat down as a group and came up with the impact of the budget cuts that we were given last year from our budget that was 3.5% reduced and what that indicated or what that resulted in to us was reduced training for the SRT team and the Canine Unit, reduced community policing on the West Side, the elimination of Center City community policing...

Alderman Cashin interjected you know that is not going to fly, don't you Chief. That is politics personified.

Chief Driscoll stated if I can explain, this is what happened last year. As you remember, you and I spoke and that officer has since been reinstated. This is what happened last year.

Alderman Cashin asked you are not suggesting that you are going to reduce...

Chief Driscoll interjected no, Sir.

Alderman Cashin stated that is fine. I apologize.

Chief Driscoll stated the Board last year asked me prior to the budget what impact the 3.5% would have and I gave the best explanation I could. As the year unfolded, we will be in the black with our budget this year.

Alderman Cashin stated my question to you is you are not suggesting that you are going to reduce policing on the West Side.

Chief Driscoll replied no, Sir. What I am saying is this is what we did for different periods of time this year in order to meet this year's budget.

Alderman Cashin stated if one was to read this, impact on services due to reduced funding in the FY01 budget, reduce community policing on the West Side, that is the way this reads.

Chief Driscoll replied yes but what we are saying is that we are in the FY01 budget this year. We are coming before you for the FY02 budget. In order to meet our budget this year these are the things that we needed to do to be in the black and we will be in the black.

Alderman Thibault stated it will not impact this year. I think that is what the Alderman is saying here and I certainly am concerned about that myself. In other words it is not going to affect the FY01 budget. As for the money, it might be there for the West Side policing.

Alderman Cashin stated ongoing from this evening it is not going to reduce policing on the West Side.

Chief Driscoll replied yes that is fair.

Alderman Cashin stated starting tonight so I don't have to worry about it.

Chief Driscoll replied that is true at this moment. Let me explain why this...last year as we entered the summer period and the summer period is the most taxing on the Police Department, in order to meet this year's budget and come in in the black, we took and reduced a variety of different things to meet the number. As you remember, you and I spoke about that and you were concerned and we moved some things around and put somebody back on the West Side.

Mayor Baines stated so you did a little bit of these types of things during the past year to come in under budget.

Chief Driscoll replied absolutely.

Alderman Thibault stated I am worried about what Alderman Cashin is asking here. Is this, in fact, going to reduce the policing that we have on the West Side and I am concerned about that because we have problems out there too.

Mayor Baines replied we will have plenty of time to discuss that. He is just going through what he did this past year to come in under budget. That is all he is going at this point in time.

Chief Driscoll stated maybe I can reassure Alderman Thibault a little bit. Our budget at this time, three different categories, the salary line has been fully funded. If that remains, I believe that we can complete the necessary and responsible policing public safety issues throughout the community. The capital has been reduced and the expenses have been reduced, but I think we will be able to fulfill our community policing responsibilities and our staffing throughout the City if our budget remains the same.

Alderman Cashin stated you said two different things, Chief. You think you can and you believe you can. I want to know are you going to? I am not going to play with words now.

Chief Driscoll replied nor am I. All things being equal, unless we have catastrophes in the community or things change, with the Mayor's salary number we will be okay with our budget this year. We do have concerns in two other categories though.

Alderman Gatsas asked, Chief, did you present those cuts to this Board last year...that you were going to have less policing on the West Side. Did you tell this Board that last year? My reasoning is that if we do cut you, my concern is next year you are going to be coming in and saying we cut policing on the East Side and none of us would have known that. I don't think Alderman Cashin or Alderman Thibault or Alderman Hirschmann understood that from last year's budget.

Chief Driscoll answered if you remember, just before you passed the budget last year I wrote you a two-page letter and was as frank and straight forward as I could be saying that if, in fact, I was given the budget that I was given last year that there would be significant impacts on public safety. Those were my words.

Alderman Gatsas stated but you never said there would be less policing on the West Side.

Chief Driscoll replied what I told you is that I was going to have to make cuts someplace. I didn't say where and what I tried to do is come in and what I have done...my staff, and I commend them, have been very successful in working within the budget that we were given by the Board of Mayor and Aldermen last year and in fact the crime rate has gone down but have I been comfortable or have the different Aldermen who have called me asking where the bicycle patrols are or

where their community officer is or where is this or that...have I been comfortable with the level of staffing no. Have there been reductions in staffing? Absolutely.

Alderman Gatsas stated but there hasn't been a reduction in staff. You haven't reduced police officers.

Chief Driscoll replied no. There has been an inability to staff...

Alderman Gatsas interjected I just want to make sure that it is clear to the public that you haven't eliminated police officers.

Chief Driscoll replied no but our ability to field a full team during certain portions of the year is very difficult with reduced funding.

Alderman Clancy stated it says here elimination of City community policing. Does that mean? What does that actually mean?

Chief Driscoll replied when, in fact, we have...I hope that that is not...I want to reassure you and make it very clear that the Mayor has funded our salary budget and these cuts will not be necessary next year during FY02. Those cuts were necessary this year. You and I had conversations relative to where are the bike patrols and why don't I see as many policemen in the Center City.

Alderman Cashin stated I asked you for some foot patrols. You kept telling me that the bike patrol is much quicker and they can get around better and stuff. I think the old timers like to see the people accessible walking the beat. The people tell me that they want to see police officers out there walking the beat.

Chief Driscoll replied I understand but I guess to answer your question directly, were there reductions in the presence of police officers in the Center City, yes there were. Once again, we have done the very best we can to provide full service to all of the community with the budget we had. I think we have had a successful year.

Alderman Cashin responded yes you have but the center city area is the most prevalent in town and where the action is.

Chief Driscoll replied I am fully aware of that and when I say there has been a reduction, there has been a reduction. That doesn't mean and please believe me when I tell you that there are officers in the center city all of the time. We have more density in our police officer coverage in the Center City than any other portion of town.



Alderman Clancy stated now that the hot weather is here, the people are going to be out until the wee hours of the morning so we want a presence throughout the City, not just in the center city area.

Chief Driscoll replied as do I, Sir.

Alderman O'Neil stated, Chief, if I read this right and with the little that I know of the Manchester Police Department, there were at times throughout this current fiscal year effects in every section of the City and including, that 310 is a South end route isn't it.

Chief Driscoll replied yes.

Alderman O'Neil stated so you didn't particularly single out the West Side or the Center City. There were times when there was a reduction in services in all parts of the City.

Chief Driscoll replied yes. I think that is fair. I think that where we have the greatest need we have the greatest number of police officers. We always have those officers covering cruiser routes, but the extras, the community policing officers, the officers on bicycles and the officers around the schools, when the budget is reduced those are the things that are very difficult for us to staff, especially in the summer when folks are on vacation and we need to do that through overtime.

Alderman Cashin stated I don't want to beat this to death, but you and I talked last year and we didn't reduce policing if I remember correctly. We made some other changes and everything stayed pretty much the way it was supposed to. Is that a fair statement?

Chief Driscoll replied yes. We had a conversation relative to the elimination of the police officer on the West Side, the community policing officer, and as a result of that conversation I met with Deputy Duffey and asked him to look and find hours to put that police officer back. Basically what we do is move folks around to the greatest need at that moment.

Alderman Cashin asked and we did that.

Chief Driscoll answered yes we did.

Alderman Cashin asked so we really didn't reduce community policing on the West Side did we.

Chief Driscoll answered yes we did. Maybe I could call on Deputy Chief Duffey to perhaps clarify this.

Alderman Cashin stated well what I don't understand is you say your budget has been reduced and your salaries as I read it unless I am wrong and if I am correct me, are paid in full. Your salary budget is...

Chief Driscoll interjected for next year yes, Sir.

Alderman Cashin stated so we shouldn't anticipate any problems then. We are giving you exactly what you asked for.

Chief Driscoll replied yes. As I have said, I think that we will be able to fulfill our mission to staff what we have done in the past fully for this coming 12 months for this fiscal year if our salary is fulfilled at the Mayor's recommendation.

Alderman Cashin stated and over the years you have come to this Board periodically for additional...they were funded first through federal funds and then we picked them up and all of that stuff. We never refused you any FTE's as far as police officers go have we?

Chief Driscoll replied no I don't think so.

Alderman Cashin stated I know we haven't. In fact, I think we have bent over backwards to be sure that you had the tools to work with that are required because we want to keep the City safe and I think we cooperated with you in that respect.

Chief Driscoll replied absolutely.

Alderman Wihby stated I just verified with the City Clerk's Office that the number is \$17,534,220. It is not the \$17,634,220. We accepted your budget, your Honor, and even though we got a letter we never amended the Resolution for that extra \$100,000.

Mayor Baines replied we will double check because we worked that through with Carol.

Alderman Thibault stated, Chief, far be it from me to try and control the Police Department but one thing that does bother me is that if ever you have to cut policing in any district, not just on the West Side but anywhere, I would want to know about it. If policing is going to be curtailed in Ward 11 or Ward 10 or Ward 12, I think that the three West Side Aldermen or the three East Side Aldermen or

whatever it might be should be made aware of that and I certainly wouldn't want that and I don't believe that any Alderman here would want to do that.

Chief Driscoll replied I certainly pledge to do that. I tried to do that last year and then we worked very, very hard and stretched the resources the best we could without neglecting any one area of the City but there were certain cutbacks during the summer and that is when we need our people the most. I pledge to you certainly this year if we run into...

Alderman Thibault interjected I want to know and I believe every Alderman on this Board would like to know. When you look at the problems that have happened in Ward 10, the problems that have happened in Ward 11, I don't know of any in Ward 12 but I am sure there are. I think we should be made aware of that to know where we are at with this thing and if we have to do anything, then we should do it.

Chief Driscoll stated I assure you that we will come to every Alderman personally if we reduce services in any way in their ward from this point forward.

Alderman Pinard asked all of these Federal grants for policing, how do they play into the budget. You say that you are going to cut here in the center city and so forth but then you read that you have thousands of dollars from the government to do policing work.

Chief Driscoll answered last year we received from the Federal government in grants \$1,577,000 in order to supplement the Police Department's budget, but those resources only go around...we have huge responsibilities and huge commitments. Those resources only go so far. Sometimes we feel like the little Dutch boy trying to stick our thumb in the dam trying to meet all of the needs of the community to assure school safety and the traffic problems and safety in people's homes and it is a challenge. I commend my deputies and my staff for doing it but it is a juggling act and it is a balancing act. Like I said, nationally people have...police departments have 2.7 police officers per thousand. We have 202 police officers for something over 100,000 so there are challenges all the time.

Alderman Pinard asked what would happen if you didn't have those grants.

Chief Driscoll answered the Board would have to make a decision as to whether or not they wanted to fund those positions and what level of service they wanted to provide the community.

Alderman Shea stated there is a concern that was expressed by me earlier concerning the fact that, not initially, but in November when the civic center opens

up there is money set aside to cope with difficulties there. However, will that mean that duty officers in different wards would have to respond to anything that might arise there?

Chief Driscoll replied there is money in the budget. There is \$124,000 that the Mayor put in the budget for civic center parking enforcement and for traffic details. I think that will be adequate. There is about something in the area of 60% of the year that...

Alderman Shea interjected I mean will you be taking the regular officers off the beat in order to accommodate any problems or will you be calling in officers on overtime to cope with any problems. Let's take the worst case scenario and say there are disturbances that would require additional help.

Chief Driscoll responded basically I would tell you that I think that it will take care of itself. The funding...we will not be taking officers say for instance for two or three hours from any neighborhood to put them to cover staffing issues at the civic center but I will tell you always we go to the highest priority. There were times when we sent just about the whole city's police force to the West Side to deal with issues at the Pyramid. If there was a crisis or an emergency in any part of the City regardless of what the challenge was we would dispatch the necessary resources to resolve that but routinely we would not, Sir.

Alderman Shea stated most of the additional money that has been included in the Mayor's budget has to do with the pay increases. Is that correct? It is about \$1 million more in salary and wages that I calculated from last year to this year.

Chief Driscoll replied I think I can tell you the categories.

Alderman Shea responded the overall budget. I believe that this year the wages are \$13,554,612 and the other is \$12,547,000. Those are the figures I have.

Chief Driscoll stated if my figures are right, I think that the Police Department salaries are up about 5.3% as a result of the grants maturing that the City has now assumed responsibility for and obviously health and dental benefits have increased significantly and the civic center, that \$124,000, has been added to our salary line. If you look at those totals they will...whatever it totals and I don't know what it totals...

Alderman Shea asked do you have it Paul.

Mr. Beaudoin answered out of the total increase in salaries it is a vast combination of items. The 3.3% cost of living increase across the board for all employees.

You have merit increases for most employees and longevity step increases for anybody who reaches a 5, 10 or 15-year mark. Those increases are approximately 5.3% or 5.5% of the total salaries. Again, as the Chief said the Mayor put \$124,000 in the budget for additional salaries and overtime for the civic center and then we have grants that have matured and now the City is assuming the salaries as part of our salary budget as well.

Alderman Shea asked so your contention is that the salaries increased about 5.3% or is it 8.6%. I am not quite sure.

Mr. Beaudoin answered for the actual increase in salaries it is roughly 5.3% to 5.5% overall.

Alderman Shea stated last year, Chief, Alderman Gatsas brought out the fact that there were certain unfunded positions. This year did you fund every position that you were allowed or do you have any positions that are still unfunded?

Chief Driscoll replied we funded every position. Right now we have five positions that are grant positions that are not filled and 5.5 positions that are salary positions, City salary positions, that are not filled. We expect to fill them very soon.

Alderman Shea asked have they been vacant for the whole year or just part of the year.

Chief Driscoll answered I really can't tell you that because we have people leave and then we hire and I think we had 10 retirements this year.

Mr. Beaudoin stated most of the general fund positions have been filled. We have had a very difficult time filling the grant positions, which are mostly dispatcher positions. Those have been unfilled for most of the year but the general fund positions have been primarily filled.

Alderman Shea stated your revenues have decreased according to projections. Could you tell us why?

Chief Driscoll I would like to delay that answer and talk about expenses and capital just for a minute.

Alderman Lopez stated I want to clarify some things. You are requesting a budget of \$17,809,720 and the Mayor gave you, depending on who is right \$17,534,220 or \$17,634,220 so that puts you either \$275,000 short or \$175,000 short.

Chief Driscoll replied I would like to believe \$175,500.

Alderman Lopez stated getting back to the page of impact of services, if you did not get that money would you be looking at the same thing that you did in FY01 in calculation of the \$17,534,220. You are fully funded so none of these would apply, correct?

Chief Driscoll replied yes that is basically true and if I could just expand on that a little bit like I have told you already, our salary line is fully funded. We are, as has already been said, 94% of our budget is salary but I would like to talk just for a minute about expenses. Our expenses were funded this year at last year's level. Last year's level was \$30,000 below FY2000, which obviously creates, with the increase in fuel and service agreements and lease agreements...once again that staff development line was left out of our budget but the cost increased and we believe that the total of that is \$57,500. I would very much like to see that included in our budget so we can make our expenses.

Alderman Pariseau asked relative to the \$124,000 in the salary account for the civic center, if we were to look at reinstituting the auxiliary police would that in any way lower that \$124,000.

Chief Driscoll answered it is surprising that you bring that up because we have initiated discussions within the last three weeks about that very issue and are there some duties and responsibilities that even while we maintain our national accreditation and train and use part-time people to that extent...Bob, do you want to respond to that.

Deputy Chief Duffey stated we had eliminated the part-time police officers some time ago as you know and I think the Chief is right that it was just about a week ago that we started talking about perhaps reinstituting them in concert with some updated standards that the national accreditation has come out with we probably could do it. How they are utilized from the point of view of what kind of training are they going to have, who is going to be in charge, what kind of equipment and what impact it could have on our contract is something we having looked at yet. You have to be careful when you use an auxiliary police officer in the place of a police officer who would normally get a detail. There are contractual issues there, but it is odd that you bring it up because we are starting to look at it and it may be that we can use these people to do other jobs like at the front counter or something, which would free up police officers on duty to go out and do it and thereby save dollars, yes. We are very much in the infant stages, but we are looking at it again.

Alderman Lopez asked the \$57,500 do you want it added to the Mayor's budget or your budget.

Chief Driscoll answered the Mayor's budget.

Alderman Lopez asked which you believe is what.

Chief Driscoll answered \$17,634,220.

Alderman Thibault asked what is the \$100,000 difference between the \$17,534,220 and the \$17,634,220.

Mr. Beaudoin answered after we submitted our budget obviously the health and dental rates had not been set and since then they have been set. There was an increase of about 15% in health insurance.

Alderman Wihby asked when you are talking about requested, now you are requesting, not back when the budget process was being done. When you went to the Mayor you only asked for \$17,508,000 true?

Mr. Beaudoin answered true but we really didn't have the information available. For the health and dental benefits we were told to just go in with the current existing rates and they would be adjusted later on once they had the actual cost for the health insurance.

Alderman Wihby stated I thought we heard from Frank Thomas that it was being thrown into a salary adjustment account or something.

Mr. Tawney stated no that was put into each individual budget.

Alderman Wihby asked so how come Frank didn't tell us oh by the way I am requesting more than I asked for from the Mayor. He came in with the same request that he had gone to the Mayor with.

Mr. Tawney replied I can't tell you why Frank did what he did.

Alderman Wihby stated well it sounds like they might be short in health benefits in the Highway Department too.

Mr. Tawney replied I don't think so.

Alderman Wihby asked does Fire have that problem, too. When you went to the Mayor you had a different number for health benefits and now you are going to ask for more money today?

Chief Kane answered no.

Mr. Robinson stated when the departments did their budgets we did not know what the health benefit number would be so they presented their budget based on the information that they knew at the time. Since then, the health benefit number is known and it is reflected in the Mayor's budget.

Alderman Wihby asked where.

Mr. Robinson answered in the Mayor's budget under health benefits.

Alderman Wihby asked in each individual department.

Mr. Robinson answered that is correct.

Alderman Wihby asked so how is Police coming in front of us saying they need \$300,000 more if it is reflected in the Mayor's number.

Mr. Robinson replied I can't answer that question for you.

Alderman Wihby stated Highway came to us and they didn't tell us anything about the numbers changing between the Mayor's number and their request and now Police is saying the numbers did change and they need an additional \$300,000.

Mr. Robinson replied I am not sure if they looked at the Mayor's benefit numbers but they should be increased over their number.

Alderman Wihby stated I have never seen it this screwed up before. The Clerk has gone back and the number is \$17,534,220. We accepted the letter but never voted on it. It was never amended so what was adopted was the smaller number. They are already in the hole \$100,000.

Chief Driscoll stated I think I have covered the expenses. The capital issue we had included three things in capital that were not funded for \$120,000. They include fitness equipment, which by state law our officers must meet physical standards. The law recently passed something called a fire arms training simulator and defibrillators for our police cars. That was not included and we certainly would like to see that included. Unless there are any questions on that portion of the budget, I would like to talk about our cruisers and our fleet.



Alderman Wihby asked when you go to your salary totals, what accounts would that be. It is overtime and what?

Mr. Beaudoin answered salaries and overtime and it also includes...

Alderman Wihby interjected expense budget by function. If I look at the sheets in our book, the black book that the Mayor gave us, \$13.554 million is made up of what number?

Mr. Beaudoin stated that would be salaries, overtime, the civic center addition that was put in and pension payroll.

Alderman Wihby asked where is the civic center.

Mr. Beaudoin answered that is the \$124,000.

Alderman Wihby stated I know that Alderman Pariseau mentioned it, but I can't find \$124,000 in my book.

Alderman Pariseau stated they talked about it.

Alderman Wihby asked so \$124,000 has to be added.

Alderman Pariseau replied it is already in there.

Alderman Wihby asked what is the other number.

Mr. Beaudoin answered pension payroll of \$170,000.

Alderman Wihby stated so those four items should add up to the \$13.554 million.

Mr. Beaudoin replied and also special salaries of \$63,589.

Alderman Wihby asked where is that.

Mr. Beaudoin answered line 0140.

Alderman Wihby stated that is a blank too. How much is it?

Mr. Beaudoin replied \$63,589. It is for things like SRT pay, canine pay, night premiums and things like that.

Alderman Wihby asked and can you just go through the \$3.203 million for benefits and what that would be.

Mr. Beaudoin answered total benefits would be 0211 of \$1,705,098; 0212 is \$161,036; 0213 is \$21,229; 0214 is \$300,441; 0225 would be \$632,083; 0230 would be \$327,341; and the one that is missing, the 0298 would be \$100,000.

Alderman Wihby asked missing from where.

Mr. Beaudoin replied from the Mayor's budget apparently.

Alderman Wihby stated 0298 is there.

Chief Driscoll stated that is the \$100,000 that makes the difference between the...

Alderman Wihby replied it says \$100,000 on that line item. Should it be \$200,000?

Mr. Beaudoin stated it is supposed to be \$100,000.

Alderman Wihby asked you don't have this sheet.

Mr. Beaudoin answered I don't know which sheet you are pulling from.

Mayor Baines stated just a point of clarification. The numbers that we have in the insurance column are the accurate numbers that we put in our budget. They are accurate.

Alderman Wihby stated it says FY02 Mayor's Recommended Number for all departments...

Mayor Baines stated the numbers that we put in all of the budgets are the actual insurance numbers for the departments that were presented to the Board of Mayor and Aldermen.

Mr. Beaudoin stated the \$100,000 is there because at the bottom of that report I have been informed that that has a \$17,634,220 number on it. The grand total at the bottom of that page is \$17,634,220.

Alderman Wihby stated that is because the book was done after the budget was passed.

Mr. Beaudoin replied that is why the \$100,000 is in there.

Alderman Wihby stated if I add up all of those items you gave me for the benefits, it is higher than what you said you need.

Mr. Beaudoin replied I have \$3,247,228.

Alderman Wihby stated right and on your sheet you have that you only need \$3,203,000.

Mr. Beaudoin replied there must have been something that was updated at the last minute on our spreadsheet and I didn't catch that.

Alderman Wihby stated maybe you don't need that \$100,000.

Chief Driscoll stated one of the issues when we come before the Board of Mayor and Aldermen is always whose numbers we are using.

Alderman Wihby stated you know the numbers that you gave me for the salaries when you said you needed that \$124,000 that Alderman Pariseau was talking about. That is not included in your salary number right or is it?

Mr. Beaudoin replied yes it is.

Alderman Wihby asked so if I add up those four numbers that you gave me plus the \$124,000 you have \$124,000 too much money. The Mayor already included the \$124,000.

Mr. Beaudoin answered in the Mayor's budget the \$124,000 is in there, yes.

Alderman Wihby asked where is the \$124,000 then in the Mayor's number.

Mr. Robinson answered it is in salaries, 0110.

Alderman Gatsas stated \$13,554,612 is your salary number and that includes the \$124,000. If I come back to the Mayor's recommended budget that is on the sheet that we have and I total \$12,418,385 plus \$953,499 plus \$63,589 plus \$119,139 are you saying that the \$124,000 is already in that \$12 million so I don't need to add it back in.

Mr. Beaudoin replied that is correct.

Alderman Gatsas stated okay we are all set now.

Chief Driscoll stated if there is a discrepancy we would certainly like to have the opportunity to check the numbers.

Mr. Beaudoin stated I broke it out different in my spreadsheet because I needed to track it differently. I broke out the \$124,000 separately so Wayne I believe put it in the 110 account...

Alderman Gatsas interjected why are we all on different pages here. Why wouldn't you have the same book that we have so there would be no confusion? I am not blaming you. Could somebody tell me why they don't have the information that we have?

Mayor Baines replied they have this.

Alderman Gatsas stated no they don't. Alderman O'Neil just had to give it to them.

Mayor Baines replied I don't know why they don't have it. All of the information that you have was sent to them. They have it in the same notebook form that you have.

Alderman Gatsas asked well can we get on the same page so that we can get out of here before midnight.

Alderman Wihby asked in their department budget request, in your total 110 account, was the \$124,000 in that.

Mr. Beaudoin answered I don't have that report here.

Alderman Wihby asked where did you put the \$124,000. The Mayor had it in 110 so where did you put it when you gave your request to the Mayor.

Mr. Beaudoin answered 130.

Alderman Thibault stated going back to what Alderman Pariseau said a few minutes ago about asking the deputy here about a union related question, I would just like to ask if in fact we ever went into an auxiliary police or whatever we used to have years back would that affect the union question and is that what you were saying before. I just want to be clear on it so that I know where I am at on this. If ever we went into an auxiliary type position it would affect union demands or problems? Am I right in saying that?

Chief Driscoll replied certainly we would not use part-time auxiliary police officers to replace full-time officers, but we would use them to supplement and provide additional services to the community. It is in the contracts with our personnel. We have never taken that out.

Alderman Thibault stated that is one thing I am not clear on and I just wanted to be sure that I understood I think what the deputy said before and I was unsure.

Chief Driscoll replied it would certainly not be our intent to displace full-time regular police officers from positions with specials but certainly it would be a good idea to take a serious look at the ability to use them to compliment the public safety services that we provide to the community at this time.

Alderman Thibault asked and do I understand that this is where you guys are going with this thing now. You are in that mode, if you will, looking at this and seeing if there is a way to do it?

Chief Driscoll answered we are in very preliminary discussions about whether or not it is possible and if we can maintain our national accreditation standards if we take on this responsibility and if we are able to do it how would they be used.

Alderman Gatsas stated I believe the first thing that you said was...are you at full complement right now.

Chief Driscoll replied no.

Alderman Gatsas asked you are short by how many.

Chief Driscoll answered 10 positions. Five grant positions and five City positions.

Alderman Gatsas stated but the five grant positions do not appear anywhere in this budget for wages correct.

Mr. Beaudoin stated there is a small local match on those five positions. 25% of their salaries are paid for by the City.

Alderman Gatsas asked how long have the other five positions been vacant.

Chief Driscoll answered like I tried to explain some are vacant for a longer period of time. We fill positions as quickly as we can. The Mayor has been very good about allowing us to fill positions but if we can't find the right individual, whether it be a communications dispatcher or police officer, sometimes the position will remain open longer but it is our intent always to have a full complement and

certainly to go into the summer season with as full a complement as we can when our people are on vacation.

Alderman Gatsas stated if I took the assumption that those five officers were not filled during the course of the entire year that would give you the best case scenario. You might have had Officer A out for four months and Officer B out for eight months so that a cumulative number would have been five officers for a full twelve-month period.

Chief Driscoll replied I guess you could use that figure. I am not sure how accurate it would be one way or the other.

Mr. Beaudoin stated there are only three police officer vacancies right now. The other two are civilian positions.

Alderman Gatsas asked and back to your statement that you made when Alderman Cashin was a little upset that the policing on the West Side was at a shortage, was that at a shortage because of wages or money that you had in that category or was it because you didn't have enough police officers to fill it.

Chief Driscoll answered I would tell you that the cuts in last year's budget reduced our ability to field during the summer months...

Alderman Gatsas interjected let me ask the question again. You made a statement in the budget presentation that you gave us that there was a shortage of policing on the West Side, which Alderman Cashin jumped up and was concerned about. Is that due to not having enough funds?

Chief Driscoll answered yes, Sir.

Alderman Gatsas asked would you believe, Chief, if I take your annualized number of \$8,141,693 for a nine month period and annualize it that that is about \$1 million short off of your revised budget amount. Do you hear what I am saying?

Chief Driscoll answered no I don't.

Alderman Gatsas stated I am saying if I took the \$8,141,693 and divided it by 9 and multiplied it times 12, that number is somewhere around \$10.8 million. Your revised budget amount shows that you have the accessibility to \$11.7 million, which would have entitled you to enough money to police the West Side efficiently and not telling Alderman Cashin that there was a shortage in funds. I am just doing it based on the budget numbers you gave me.

Chief Driscoll replied mathematically it may work, but I will tell you in reality it didn't work.

Alderman Gatsas stated there is \$1 million there. You are not going to spend it. If we annualize your budget you are going to be \$900,000 below what your revised budget amount is for wages.

Mr. Beaudoin replied we will be low in our 0110 account, but we will be way over in our 0130 account and the reason is that when we have vacancies we end up filling those vacant positions with overtime positions.

Alderman Gatsas asked do you want to annualize that \$591,000 and see how much it takes of the \$800,000.

Mr. Beaudoin answered I am not sure I have the same report you do. My report is as of...

Mayor Baines interjected just to reiterate everyone has the same report. The reports that the Aldermen have are the same reports that the Police Department has. If you didn't bring it, that is one thing but everybody has the same information. We made doubly sure this year that everybody was reading off the same page.

Alderman Gatsas asked what is your year-to-date for wages, gross wages.

Mr. Beaudoin answered \$8,950,602. This is through April 30.

Mr. Robinson stated I believe the number that you are using is \$8,941,693.

Alderman Gatsas replied yes and if I use your number and annualize that number and divide it by 10 because we are into the 10<sup>th</sup> month and multiply it times 12, it comes out to \$10.747 million so it is a \$1 million difference in wages. At no time should the West Side have been short in policing because of wages.

Mr. Beaudoin stated for our overtime, it is \$740,856 and we are coming into our summer months, which eat up the most overtime.

Alderman Gatsas asked what is it right now.

Mr. Beaudoin answered \$740,856 and to annualize that it is not really a true indicator because we do eat up a lot more overtime in the coming months.

Alderman Gatsas asked so that is about \$170,000 more. If I gave you \$500,000 more in overtime, it still leaves you \$400,000 and the West Side should not have been short on policing.

Chief Driscoll answered you keep using the West Side. We didn't single out the West Side or any place within the City. We worked very hard and very diligently to spread policing services throughout the community and to get through the summer period into the fall until things quieted down, reducing services to come in in the black at the end of this fiscal year and we have done that. My intention was simply to be very direct and honest with the Aldermen to tell you before last years budget what the impact I believed would be, to tell you tonight what I believe the impact was and to encourage you to fully fund, as the Mayor has done, our salary account so we wouldn't run into any of these issues during this coming fiscal year.

Mr. Robinson stated last year during the budget process the Aldermen did instruct the department heads to put any salary adjustment accounts into their salary line item so for the Police Department I am not sure what that number is but their salary adjustment number for this year is in that line.

Alderman Gatsas asked how much is it.

Mr. Beaudoin answered \$175,000.

Alderman Gatsas asked how much was it last year.

Mr. Beaudoin stated I believe it was about the same but it wasn't in our line item.

Alderman Gatsas asked where was it.

Mr. Beaudoin answered I believe HR had it.

Mayor Baines stated HR had it and the instructions were to put that in the salary line item this year.

Alderman Gatsas asked so there is no salary adjustment account hiding anywhere.

Mayor Baines answered no. It is within the departments.

Mr. Robinson stated for FY02 there is a salary adjustment line item in each department but for FY01 the salary adjustment was in each individual department.



Alderman Shea asked is that \$630,000 in your budget.

Mr. Robinson answered total, yes.

Alderman Gatsas stated so what you are saying is you pulled out of this year's budget, FY02...there is no salary adjustment account in the Police Department budget.

Chief Driscoll stated all of the people who retired were handled by the City.

Alderman Gatsas stated however it is in your budget for FY01 is that correct.

Chief Driscoll replied that is correct.

Alderman O'Neil stated this is a question for the Police and it will be for Fire later and I guess it is a question for your office, your Honor. There was talk last year about taking a look at cutting down the overtime account by adding positions. Did that go anywhere or is it just too complicated to attempt?

Chief Driscoll replied I guess my feeling on that is that there are certain duties and functions that are better handled by doing them through overtime in that you avoid the whole benefits package for the most part. We are paying people their health and dental anyway to hire another person to do that same function so it is my belief and I have had this discussion and perhaps Paul can help you better than I but I think it is our belief such as in the civic center parking detail that rather than hire additional parking folks we believe that we can do that on an overtime basis cheaper than if we were to hire more people.

Alderman Shea asked, Chief, you mentioned that you were going to finish in the black. Your budget last year was \$16,357,345. How much of a percentage will you finish in the black? 1%? 2%? 5%?

Chief Driscoll answered our goal will be to hit it right on the nose. If we can get through those line items...like I told you our expenses were cut significantly. Our goal is to hit it right on the nose and provide the best service between now and the end of the year that we can.

Alderman Shea stated so what you are indicating is that you will finish with probably the same amount of money that you were given or will you be able to turn back to the City a couple of hundred thousand predicated upon your wages and salaries.

Chief Driscoll replied we won't be turning in a couple of hundred thousand. Our goal is to zero out at the end of the year. I talk with Dale and Paul on a daily basis about our efforts to do that and I promised the Aldermen that we would be in the black. That is our goal.

Alderman Gatsas stated, Chief, I don't think you can zero out your salary account unless you are going to give out some big bonuses in the next few months.

Chief Driscoll replied I have no intention of giving out big bonuses, Sir.

Alderman Gatsas stated well I don't know how you are going to zero it out then. I think you ought to defer to the gentleman on your right.

Chief Driscoll asked what is the question.

Alderman Gatsas stated I think he knows where I am going. His eyebrows are crossed.

Mr. Beaudoin stated the upcoming couple of months is when we spend a lot of overtime because we have shortages and people come out after a long winter and there are a lot of problems and a lot of issues and we go through a lot of money during this time of the year.

Alderman Gatsas asked didn't we just increase your overtime and bring it from 7 to about 12 and still left \$400,000 in that salary account.

Mr. Beaudoin answered I was trying to go through those figures here myself and I don't see that I am coming up with the same percentages. We run a weekly budget report based on actuals that we get out of the HTE system and project it into the future with projected expenditures.

Alderman Gatsas stated let's just use the budget because we are a month off. The numbers I have are March 31 numbers and the numbers you have are April 30. Why don't you slowly give me the wage number please?

Mr. Beaudoin replied \$8,950,602.

Alderman Gatsas stated times 12 divided by 10. I did it backwards but we will get there. That is \$10,740,722. That is an annualized number. Can you give me the benefit of the doubt and say that there is a \$1 million difference between the revised budget and the annualized number that you and I just did?

Mr. Beaudoin replied roughly yes.

Alderman Gatsas stated the overtime number that you gave me was \$740,856 divided by 10 times 12 comes to \$899. That is about \$170,000 more than what your revised budget is. That still leaves us somewhere in the vicinity of \$825. If I gave you another \$400,000 in overtime for the next two months, it still leaves \$400,000 in wages that should come back to the City. I have given you a 50% increase in your wage number in two months. Should we do it again a little slower?

Mr. Beaudoin replied no I understand it, it is just that again we do a weekly report and looking at these figures I haven't had a chance to study them and go through our normal process but we have been going through this process on a weekly basis...

Alderman Gatsas interjected well let's use your numbers. Let's only use your numbers. Forget about this report. Let's use yours. The only two numbers we have to be concerned with are the revised budgeted amount.

Chief Driscoll responded we are not experts but we work very hard to provide the best amount of service that we can.

Alderman Gatsas replied nobody has talked about service. Alderman Shea asked is there a couple of hundred thousand dollars because you said you were in the black that would come back to the City.

Chief Driscoll responded the answer is to the best of my knowledge...

Alderman Gatsas interjected you said you were going to wash it to zero and I said you can't because there is at least \$400,000 in your salary account that will be left.

Chief Driscoll stated to the best of my knowledge there will not be a couple of hundred thousand dollars coming back to the City. If we projected right and used the City's money wisely this year, I don't believe that there is going to be a couple of hundred thousand and I don't believe there is going to be a hundred thousand. We try to accomplish the most we can with the dollars we have.

Alderman Gatsas replied I can only go with what your financial consultant next to you is saying. Those are the only numbers we have to work with. He has the actuals year-to-date right on the button to where we are now.

Chief Driscoll stated correct me if I am wrong, Paul, but the most recent budget report that we have shows something under \$90,000 for the remainder of the year. Is that true?

Mr. Beaudoin replied projected right.

Alderman Gatsas asked for wages.

Chief Driscoll answered no not for wages.

Alderman Gatsas stated that is the only thing I am talking about.

Mr. Beaudoin stated salaries and overtime, yes.

Alderman Gatsas asked for salaries and overtime there is only \$90,000 left.

Chief Driscoll answered no. That is the uncommitted money in our budget. If we were to have a homicide or if we were to have any type of training activity or any type of...help me out Paul...if we were to have any type of major incident or if we were to have any type of additional responsibility it would come out of that money. We think that we brought it down as best we can. There may be some money left over but if, in fact, there is the City will certainly get it back but on the other hand we believe that we are right on target to bring it down to zero.

Mr. Beaudoin stated my latest budget report to the Chief showed that with projected spending...with what we had expended so far I believe it was two weeks ago for the HTE report that we had at the time...with projected spending now until the end of the fiscal year we would have roughly a \$90,000+ surplus without any extenuating circumstances like the Chief said for major catastrophes.

Alderman Gatsas asked are we doing something wrong in this calculation.

Mr. Beaudoin answered I don't know. We do this on a weekly basis and...

Alderman Gatsas interjected I know but the numbers you are giving me or the numbers...I don't have those numbers. We are using your numbers.

Mayor Baines asked can we sit down maybe in the next couple of days with our staff and the Police Department to get the answers that you are looking for and report back.

Chief Driscoll stated we would like nothing better than to find out we have \$400,000 excess.

Alderman Shea asked during the months of May and June, do you normally have an unusual amount of salaries given out during those two months because of

whatever...something that might not occur during the other nine or ten months because what he is trying to say is if you average it out per month you should come out to a surplus but you are saying that the way you calculate it, you will come out with about \$90,000 whereas there is a projected difference of...

Chief Driscoll interjected I am not suggesting that there will be a \$90,000 surplus. The City, at this time of the year, comes out of hibernation and people get spring fever and there are people in the parks and...

Alderman Shea interjected but does that mean that you spend more money because of those things.

Chief Driscoll replied absolutely.

Alderman Shea stated so what you are saying is that for 10 months you may spend a certain amount and for the next two months you spend probably twice or three times as much for those particular weeks or months.

Chief Driscoll replied I wouldn't say twice or three times as much.

Alderman Shea stated well it would have to be that way I would assume because that is what the difference is going to be. In other words, let's make it simple. If I have \$12 and I spend \$6 for 10 months and for 2 months I spend another \$4 then I am spending more in the last two months than I am for the other eight months or whatever so we are trying to figure out exactly if you spend the same amount every month.

Chief Driscoll replied absolutely not.

Mayor Baines stated we are going to need some time. I think we have beaten this and we are going to get back to the Board with some clarification.

Alderman Hirschmann stated in Ordinance Violations, are those the meter readers that go around and ticket cars.

Chief Driscoll replied no. Those are the folks who work here at City Hall and collect the revenue.

Alderman Hirschmann stated I just want to make sure that the meter personnel who go out and enforce meter regulations...with the civic center coming on are we going to increase them because they are going to increase enforcement at night is that correct.

Chief Driscoll replied absolutely.

Alderman Hirschmann asked that is in here as well.

Chief Driscoll stated it is our intent to do that out of that \$124,000.

Alderman Gatsas asked can you tell me how many hours or is there a report in here for the people who are working the construction. How many hours are allocated to that? Is it in here in a separate report?

Chief Driscoll answered none.

Alderman Gatsas asked is that a traffic control thing.

Chief Driscoll answered it is extra duty.

Alderman Gatsas asked do you know how many hours that would be.

Chief Driscoll answered I can't tell you the number of hours but it is \$1 million a year. Is that right, Paul?

Mr. Beaudoin stated it is a little over \$1 million right now and it is about \$30 an hour.

Alderman Gatsas asked so that is about 34,000 hours roughly.

Mr. Beaudoin answered yes.

Chief Driscoll asked could we talk about revenues for a minute. The question was asked earlier why our revenues went down from \$1.704 million to \$1.642 million and I guess I would ask Paul to respond to that.

Mr. Beaudoin stated two things happened during this year with the Police Department. We gave up the animal shelter and the revenues associated with that, which is roughly \$15,000 and the alarm permits, alarm renewals and alarm fines were all transferred over to the City Clerk's office. That is about \$137,000 that is reduced. There are other issues where we are projecting reduced revenues in things like copies of accident reports and records checks, fingerprinting, and areas like that so that is what brings in the reduction for us.

Chief Driscoll stated I think the City revenue total will be higher than it was this year it just won't show all in our accounts. It will also show in the City Clerk's account.

Alderman Gatsas asked the animal control shelter that you said you had lost \$15,000 in revenue from is there a reason why there is an overtime amount in there.

Mr. Beaudoin asked the revenue.

Alderman Gatsas answered no the overtime, Page 57. It is like \$1,300 worth of overtime.

Mr. Beaudoin stated we still have the animal control officers.

Alderman Gatsas replied but if you have given up the shelter why is their overtime and there was no revised budgeted.

Mr. Beaudoin stated we still have the two animal control officers.

Chief Driscoll stated we often call them out to respond to the City's needs.

Alderman Gatsas asked could you look at Page 57. Do you have that budget? You go down to the line that says electricity. You and the Mayor's budget is \$150,000 for animal control for the electricity.

Mr. Beaudoin answered I guess it is just a data entry error. It should have been in 3300 instead of 3310. When it was put into HTE it was probably put in the wrong account, that is all.

Alderman Gatsas asked when you say 3310, 3310 on what page.

Mr. Beaudoin answered on that page that you are looking at, Page 57, if you look to the left for electricity the account code is 3310C-1, that means 3310 is the code for the animal control officers and it used to be for the animal shelter as well. 3300 is the police administration so when my clerk was putting the amount into HTE she must have just done a clerical error and put it into 3310 instead of 3300 for the budget.

Alderman Gatsas asked so where in 3300 am I going to find a comparable number that should be \$150,000 less.

Mr. Beaudoin stated it is right there I believe.

Mr. Robinson stated if you turn to Page 47, the first line item.

Alderman Hirschmann stated it is not \$150,000 though.

Mr. Robinson replied it should be. It was an input error.

Mr. Beaudoin stated it was just a data entry error.

Alderman Cashin stated while we have you, Chief, you mentioned about reducing the speed limit and it really didn't go over well. What I would like to do is increase the fines for speeding in Manchester. How do we do that?

Chief Driscoll stated it is controlled by the state. Maybe Deputy Chief Duffey can respond to that.

Deputy Chief Duffey stated they are set by the state. They are the same here as they are in Berlin.

Alderman Cashin asked but we can approach the state to change them right.

Deputy Chief Duffey answered sure. They were just changed not too long about, but they can be approached sure.

Alderman Cashin stated we have to do something. Speeding in this town is bad.

Chief Driscoll stated it is a significant problem.

Deputy Chief Duffey stated we will be bringing in a presentation to you shortly on that very issue.

Alderman Cashin stated I think the only way we are going to control it is by increasing the cost.

Mayor Baines asked what is the fine right now.

Deputy Chief Duffey answered it depends on the speed and the zone. It ranges from \$72 up to \$250.

Alderman Cashin stated but that isn't doing anything so we are going to have to increase it. People are just going to have to learn that if they are going to speed they are going to have to pay.

Deputy Chief Duffey replied your point is well taken because since we were able to buy those new radar guns our speeding summonses have gone up every single month. We wrote almost 400 speeding tickets alone last month.



Alderman Gatsas asked, Mr. Robinson, on Page 27, electricity of \$150,000 is that already in there.

Mr. Robinson answered Page 27 is a combination of all of the organizations within the Police Department.

Alderman Gatsas asked why are you putting it in twice then.

Mr. Robinson answered it is not in twice.

Alderman Gatsas replied yes it is.

Mr. Robinson stated no. Page 27 is the total of all of the organizations. The pages that follow Page 27 list out the organizations individually.

Alderman Gatsas responded I believe what you are saying it is just that when I saw the number appear again...if I take the \$150,000 out of the animal control number does that change the bottom line for both sides.

Mr. Robinson replied no. If you took it out of animal control you would have to put it into administration.

Alderman Gatsas stated what I am saying is if I total those sheets and don't touch anything it should be in this number of \$17.508 million.

Mr. Robinson replied yes.

Mayor Baines called for a recess.

Mayor Baines called the meeting back to order.

Alderman Gatsas asked, Chief, you are aware that in your budget there is health insurance, there is dental insurance, there is worker's compensation and there is general liability.

Chief Driscoll answered yes, the items that we refer to as restricted items.

Alderman Gatsas stated I wish the taxpayers in this City could call them restricted but they can't.

Chief Driscoll stated I guess the reason we call them restricted items is because we don't control them. That is money that the City spends as opposed to the department spending.

Alderman Gatsas stated your regular salary...let's use recommended and we will use one number so that we are not confused and we are all in the same spot. If we use the Mayor's recommended of \$12.4 million, the restricted items that I am talking about is somewhere in the vicinity without worker's compensation in excess of \$2 million. It is almost 20% of that number. Would you feel more comfortable if that was a number that you could control in your budget so that when you looked at it you would have a control on that because in business when you ask the department to control their budget or to make sure that within their budget...those items are in their budget for them to control - health insurance, worker's compensation...there is somebody that is looking at those and making sure that they are within those parameters.

Chief Driscoll replied it would be very difficult for me or for our department to control the cost of worker's compensation, health insurance or the amount of health insurance that was committed or encumbered I guess would be a better word by our employees.

Alderman Gatsas responded I agree with the health insurance portion, but the worker's compensation portion, obviously that is a direct function on the work employees do. Now I am looking at the number and again it shouldn't be brought up here but I don't know if you were aware of what that number for worker's compensation is. Do you know what that number is?

Chief Driscoll stated not at this moment.

Alderman Gatsas replied it is \$300,000. I guess, Howard, can you tell me obviously in the City it is based on wages and medical. Have they had those kinds of losses at the Police Department?

Mr. Tawney responded I don't oversee that but that cost is primarily for the medical payments and legal fees and those other things. He portions it out throughout the City to each of the departments. The disability payments are taken out of the payroll line. When a person is injured they are paid out of their budgeted amount directly.

Alderman Gatsas stated let's go back and if you can take a look at the book, take a look at your number for actual expenditures in worker's compensation for FY00. It is Page 46 in the big book, tab 17.

Mr. Robinson stated if you are looking for a total expenditure for the Police Department for worker's compensation you need to look at Page 26. Page 46 I believe is like \$5,000. Page 26 is \$221,000.

Alderman Gatsas asked that is the actual.

Mr. Robinson answered that is correct for FY00.

Alderman Gatsas asked, Chief, do you have that many people out on worker's compensation.

Chief Driscoll answered I am sure we do if that is what the figure says.

Mr. Beaudoin stated and those aren't the salaries, Alderman. Those are just the medical expenses and the prorated costs for legal fees and things like that that are prorated to our department. The salaries themselves come out of our salary line items.

Alderman Gatsas replied I understand that because you are at 100% versus the 60% that other City employees are.

Mr. Beaudoin stated 87%. Actually a lot of times it ends up more because of the 60% of the average.

Alderman Gatsas stated I just see that number and again when you talk about budget that is a pretty hefty number just for medical. My concern is that...that would be a number that you would be more concerned with if you had to worry about it. Some of those worker's compensation injuries...I am just looking at the number and saying that is an awful high number. I am not saying that it is not justified but because you don't have to worry about it, it is like anything else. If a company doesn't have to worry about their worker's compensation they don't worry about whether an employee is saying I hurt my finger today and I have to lose a day. I am just looking at that number and saying that it is an extremely high number.

Chief Driscoll replied perhaps it is but I would suggest that maybe it is as a result of the nature of our work. We do encourage our people to come back at the earliest possible moment and we support light duty and encourage people to come back light duty. We find tasks for them to do that would benefit the City. I would think that when people are out on worker's compensation leave we work very closely with Northern General and encourage our people to get back at the earliest time.

Mr. Beaudoin stated I can tell you that this last 12-month period has been the highest we have seen with officers injured. On a daily basis I talk to Northern General Services about our officers that are out. All of our officers out on worker's compensation go under managed care. They are followed. We did have a couple of very high priced items where people were hurt. One of our officers got hurt by a horse and ended up going on a disability retirement so there have been some very high priced things there that we have had to pay for. Again, light duty is something that we really push for. It is all under managed care. Every officer who is out injured is monitored on a weekly basis.

Alderman Gatsas stated I will leave my other health insurance questions for a later date because there is nothing that you can do and that is better than 20% of your budget in those line items. I guess I will ask you the same question. If we pull the health insurance numbers out and we fully funded you, would you be happy?

Chief Driscoll replied I would have to think about the ramifications of that question.

Alderman Gatsas stated this is not a police question. It was a very simple question.

Chief Driscoll replied I am not sure I fully understand the ramifications of your question. If, in fact, the City assumed the responsibility for...

Alderman Gatsas interjected let me ask it again for you. It is a yes or no question.

Chief Driscoll replied I don't answer yes or no questions, Sir.

Alderman Gatsas responded well I guess I won't ask it and we will leave your budget alone then.

### **Fire Department**

Chief Kane stated I would like to talk to you in regards to our budget. I think the numbers...and I want to clarify this right at the beginning...I think the numbers that we used, as a matter of fact I know the numbers that we used and the pages that we used and the budget figures that we have are the same ones that you have in front of you. So, when you refer to a number and a page, those are the numbers that we used and we have those pages here.

Mayor Baines stated we appreciate that.

Chief Kane stated in the presentation we have we tried to modify it to a certain degree to really focus in on the point that we would like to talk about and obviously we have in the budget package our mission statement, our goals and some of our achievements but instead of going over all of those things tonight we just want to really get down to the numbers. In general, the numbers that we look at and the numbers that we presented to the Mayor...we break them into different categories. One is salaries, which is basically the 100 series and then there is another series called line item and then we have the third series, which we call capital. The first slide shows salaries. In general we agree with the Mayor and the Mayor's team in regards to the salaries. We initially put together a figure and then we sat down with the Mayor and the Mayor's team and came up with a secondary figure. We currently support the Mayor's figure in regards to the salaries and that amount represents the amount needed to fully fund all contractual obligations with our current employees. There are no new employees in that figure. It is basically fulfilling our contractual agreement. The next big area that we have in salary is, and again we agree with the Mayor in regards to this number...and that number reflects the actual amount needed to cover vacations, sick leave and injury leave in the fire companies and that is a number that we agree with him on.

Alderman O'Neil stated I don't know if you heard the question earlier to the Police Department but last year we had talked about, both in Police and Fire, taking a look at the overtime account and did it make sense to add additional positions. Again, I don't know if there was a lot of discussion about it.

Chief Kane replied actually I remember that conversation from last year. Alderman Gatsas was leading that charge and it was a good question. It was a very good question and what we did is we assembled a group of people from Human Resources and the Mayor's Office and we did some research on what other towns were doing and why they were doing it in regards to how one manages what we call overtime or vacation periods and sick leave. What we found out is that our benefits package basically represents about 42% of our salary and then there are a couple of other issues so in reality when we looked at the entire picture, it really wasn't beneficial. We do have a handout here that really brings out the flavor of those meetings that we had in looking at the overtime issue. If you would like, we can hand that out to you.

Alderman O'Neil asked so the bottom line is you looked at it and it is cheaper to pay overtime.

Chief Kane answered actually that is the conclusion that we came to. It was pretty close and the reason for that is two-fold. Number one is that the benefit package...the numbers are so high and secondly and most importantly when you have a full-time employee that employee you have to manage and you have to

manage his time. Our covering of vacation periods...we have the peak that comes in during the summer time and we have a peak that comes in during what we will call school vacation periods so we don't have a steady flow of overtime throughout the year. It comes and goes. Obviously the summertime is high and January and February is low. It is better for us to manage it with overtime.

Alderman Shea stated you mentioned under overtime injury leave. Is that workman's compensation that you have included in that \$950,000?

Chief Kane answered no.

Alderman Shea asked so that is just somebody who is injured.

Chief Kane answered when somebody is injured on a truck that person is not able to work and we have to supplement that person with another person.

Alderman Shea asked so it is strictly to replace a person.

Chief Kane answered that is correct.

Alderman Thibault asked is safety ever in jeopardy because some people are working overtime.

Chief Kane answered no I do not believe so. They are basically monitored...there are officers and I don't believe that safety is ever in jeopardy.

Alderman Thibault stated well maybe what I am looking at is...I read just today or yesterday that you have sometimes in the Fire Department when you have four Fire District Chiefs and at other times you have only two. I saw that today and that caught my eye because at that point is there is a safety issue there. That is basically where I am going with this. Is there a safety issue there when you have only two District Chiefs on duty compared to four normally?

Chief Kane replied let me try to clarify what you are saying. First, I think where we are coming from in regards to worker's compensation is another issue but if you are going directly to the District Chief's issue in regards to what we have and what is going on there basically most of the time, 90% or maybe more we have one District Chief who is on duty.

Alderman Thibault asked one District Chief.

Chief Kane answered that is correct. There are occasions when there are two District Chiefs on duty but we haven't had two full-time District Chiefs on duty

since about 1995. If the Board may recall, at that point in time there was an issue in regards to that. The Board was kind enough to let me manage through that and to downsize to one District Chief and that is basically where we have been at. My position in regards to one District Chief or two...obviously I would love to have two District Chiefs on duty. It is a matter of economics whether we can do that or not. Really, I haven't had the money to do that. My focus here tonight in regards to that issue is I am trying to keep the trucks going and the stations operating and that is my focus. If one asked for a priority where I want to focus, it is on the trucks as opposed to the District Chiefs. Do I think it is important to have two District Chiefs? Yes, but do I think it is more important to keep the trucks going? Yes. The next slide is the area we are going into in which there are differences between what the Mayor had presented for a budget and what I had requested for a budget. Basically what the Mayor did is fund most of our line items in our operating budget to the level that it was last year so you would see no increase in those lines. I just want to highlight some of the areas that we feel that we are concerned about. There are about a half dozen of them so I will just go through them. Line 419, service agreements. There currently is in the Mayor's budget \$89,548. We were requesting \$109,643. The reason for that is that we have a software agreement, a license with Ericson. Ericson is our radio company and there is a \$20,000 increase in that line item this year. That represents...as some of you know we run a City wide radio system. We are in charge of that and we are responsible for it. The Police Department encryption came on line three years ago and we were able to get away with not paying for that for the last couple of years but Ericson said that we would have to start paying for that license and software and that is a \$20,000 increase. Vehicle repairs. Our fleet is getting older and we are looking for a \$6,000 increase in regards to that. Currently there are trucks in need of repair and the older our fleet gets the more repair we need. Breathing apparatus maintenance. Our breathing apparatus basically are the packs that we wear on our backs. They are in need of what we call a rebuild program. In other words we take them in and totally overhaul them and that needs to be done by OSHA requirements every three years and we are looking for some more money in that account to accomplish that.

Alderman Thibault asked what is the life expectancy of an apparatus today in the Fire Department. Most of your vehicles today are aluminum or stainless steel correct?

Chief Kane answered yes.

Alderman Thibault asked so what is the life expectancy of an apparatus today.

Chief Kane answered it is around 12 years for what we call a pump and engine and around 15 years for what we would call a ladder.

Alderman Thibault asked has that gone down substantially in the last few years. It seems to me that it was about 20 or 18 years.

Chief Kane answered not really but that is usually about when we trade them in.

Alderman Thibault replied maybe that is where I am getting the figure then.

Chief Kane stated we would like to be at 12 or 15 years but we really push our vehicles. The vehicles that we trade in are...

Alderman Thibault interjected are we still on the rotation basis. I know that last time I was here several years back we were on some kind of a rotation as to when apparatus was being replaced. Are we still on that?

Chief Kane replied not really. Mr. Snow a number of years ago came up with a program and before him Mr. Hoben had a program and we followed that program just for a little while and then we got off the program and we really have been off the program for awhile. I have been talking to Frank Thomas over at the Highway Department about getting back on the program and I know he has spoken to you about this. I really think it would be in the City's best interest to get onto a program so that we can stabilize that MER account so that we kind of know what is going to go happen on a year-to-year basis.

Alderman Thibault stated I certainly would want to support that 100% because I believe that many times we put our firemen at risk at some of these fires if we don't have the proper equipment and having been involved in that in past years I know that that was a major concern and I believe it still is that the City should look at how we put our firemen in jeopardy on some of these fires.

Mayor Baines replied all of us, I think, are committed to that. It is just a matter of finding the resources to do that. You are going to see going forward with the Chief's budget that there is no contention here. We would like to have funded all of the requests. What we did was look at freezing operational expenses at what we did last year. If, in fact, we are able to identify some other resources through this budget process we would be more than happy to recommend funding some of these things. It is a matter of finding the money. When you have budgets going up at the percentages they are going up it is very difficult to do.

Alderman Pariseau stated Chief I thought we were going to give you the chance to get through this but I have a question dealing with that Ericson 800-megahertz system. Isn't this Citywide? I mean we have Traffic, Highway, Airport...



Chief Kane interjected yes.

Alderman Pariseau asked can't we spread that \$20,095 over the other departments instead of just having the Fire Department absorb it.

Chief Kane answered the theory in regards to the Fire Department running that entire system that was developed a number of years ago is that instead of every single department having this in their own budget is that the Fire Department would manage and control the budget in regards to all of the radio systems. You do that for your computers and the Fire Department would seem to be the best spot for that radio system because we have the technicians and it seems to be working out well. It would be nice if every department kicked in, but basically that number that you are looking at and the request that we are asking for has nothing to do with the Fire Department at all. It is just a division that we manage.

Alderman Pariseau replied that is what I mean. If we were to spread it out over the six departments I am sure the Airport could pick up that whole amount.

Chief Kane stated we also manage the Airport's radio system and Water Works.

Alderman Pariseau asked why can't we charge back to those departments.

Chief Kane answered actually the Airport does pay for all of their own stuff. It is not a chargeback; they already pay for it. If they are going to buy something or do something, they pay for it directly.

Alderman Clancy stated as far as breathing apparatus, how many do we have in the department right now.

Chief Kane answered 196.

Alderman Clancy asked now everybody has their own mask, right.

Chief Kane answered that is correct.

Alderman Clancy stated as far as the maintenance now, we have to keep that up-to-date because that is very important right now with all of the toxicity out there and stuff and all of these fires and everything that people are going to. It is very important that everybody have their mask on. That way there we cut down on workman's compensation. It is going to pay for itself. This is minor money that we are talking about. \$3,000 is nothing, but when they save a life with these self-contained breathing apparatus, we need them dearly. Every man on the job should have one.

Chief Kane replied right. It is a requirement that we have on our employees now that before they get off the truck they have to have this apparatus on and functional and they have to have it before they enter the building. I can say that we have really good compliance and it did have a tremendous effect on our workman's compensation on the job because as you know from years ago we had pink slip after pink slip because of smoke inhalation. We don't have those anymore. If someone has a pink slip because of smoke inhalation or has to go to the hospital because of smoke inhalation then they didn't have their air pack on and we ask why.

Alderman Clancy asked when was the last time we bought a pump for the Fire Department.

Chief Kane answered 1994.

Alderman Clancy stated so we have \$364,000 this year allocated for a new pumper right.

Chief Kane replied yes.

Alderman Clancy asked how old are the spare pumps we have.

Chief Kane answered 1976, 1980 and 1981.

Alderman Clancy stated so we are in dire need of two pumps instead of one really. We are going to need one for the new engine station.

Chief Kane replied right. Those older pumps are over 20 years old. They have outlived their usefulness.

Alderman Clancy stated we need two pieces of apparatus this year in our budget. We really do. We need one for the new fire station on Cohas Avenue and we need a spare one to do the job. If you don't have the tools you can't do the work.

Alderman O'Neil stated we have a fleet City-wide, not just Fire Department, bonded fleet of about \$30 million. To do a 10 year replacement we need to be spending about \$3 million a year and the City over the years has not been doing that so we are on a pace now of about a 30 year replacement. That includes garbage trucks, sweepers, front-end loaders, fire trucks, etc. It is clear that we need to be committing more money to our fleet.

Alderman Thibault stated that is what I was trying to allude to before. I think it is something that this Board has to look at and learn to put more money in that account to make sure that the people who work with some of the apparatus that we have our safe.

Mayor Baines replied we all agree with that.

Alderman Gatsas asked on Page 25 and maybe my memory doesn't serve me correctly but I think in last year's budget Alderman O'Neil and Alderman Clancy made a hard plea for protective clothing but I don't see it in your revised budget for 2001. Is it somewhere else or you didn't get it?

Chief Kane answered we didn't get it. Everyone pleaded and when it came down you cut me another .5%.

Alderman Gatsas stated the big one that concerns me is the overtime, the 50% increase in overtime. If you look at your overtime number, you are at about 8% of your gross wage and that is a real high number. I understand that studies could have been done and I assume as it is in most places when overtime is given it is not given to the person at the bottom of the totem pole who is earning the least hourly wage but it is given to the person at the top.

Chief Kane replied no. It is given on a rotating basis. In other words, we have a pool of people and if you get overtime here you get put to the bottom of the list. It is a list that rotates. Any employee could come to the top of the list.

Alderman Gatsas asked there is no way that that number could be reduced if more people were involved.

Chief Kane answered I would certainly enjoy sitting down with you and discussing that. We spent about five hours or more doing that. We do have a report that I would like to give to you to look at the numbers. If you want to sit down in a separate environment and go over those things...when we looked at these things I told everyone coming to the meetings to not look at what we had done in the past but look at it from an entirely fresh way and see if we can manage this differently. We would be willing to sit down and talk with you in the same light.

Alderman Gatsas asked is there a reason why most of the other departments that we have looked at have a 6% increase in wages and yours is only 4%.

Chief Kane answered yes and I think it is because some of the funding that was in...

Mr. Robinson interjected while he is looking once again remember that salary adjustment for FY01 was placed in the department's budget. It is not in their budget this year.

Chief Kane stated there was something that was in that budget last year that is not in my budget this year and that is the salary adjustment number. When you subtract that salary adjustment out and then add the contract obligations in, you don't come up with the 6.3% because that number is smaller.

Alderman Gatsas asked wouldn't that be the same for all other departments, Wayne.

Mr. Robinson answered if they had salary adjustment.

Alderman Gatsas asked didn't everybody have salary adjustment.

Mr. Robinson answered no.

Chief Kane stated I think the only ones who really have a major salary adjustment are Fire and maybe Police.

Mr. Robinson stated and I would say Highway.

Alderman Gatsas stated if I look at the budget for Highway and Police, they are at 6%. If I look at Fire, they are at 4%.

Mr. Robinson replied right and if you were to back out the salary adjustment that increase would probably be higher.

Alderman Gatsas responded you just told me that the Police have the same number.

Chief Kane stated I don't want to speak for the Police.

Mr. Robinson stated I don't know what the Police number is but if you would just back whatever that number is out of their FY01 number that percent increase would be higher.

Alderman Gatsas stated let's try again. The Highway Department I am looking at their numbers here. The Highway Department's revised budget for FY01 is \$6,372,097. Their percentage of increase is 6%.

Mr. Robinson replied so far so good.

Alderman Gatsas asked did they have a salary adjustment number.

Mr. Robinson answered I believe so. I don't know what that dollar figure is though.

Alderman Gatsas stated I look at Police's number of \$8,098,841. Do they have a salary adjustment in there?

Alderman Shea stated on Page 20 I have a 7% change. I am not sure where you are coming from with 4%.

Alderman Gatsas stated I am on Page 24.

Mr. Robinson stated Page 20 includes for that salary and wages number regular salary, overtime, special salary and pension.

Mayor Baines stated that breaks it down, Alderman, so regular salaries are up 4%, overtime and salaries are up 53% and that is where the disparity is coming up.

Mr. Robinson stated I guess what we should do is get you the number that was put in the FY01 budget for salary adjustment so you can back it out so you are comparing apples to apples.

Alderman Gatsas replied but what I am saying, Wayne, is if I take Highway or anybody else assuming they have salary adjustment in there they are coming up with 6%.

Mr. Robinson responded and what I am saying is if you back it out, that percent increase is higher. It would be higher than 6%.

Alderman Gatsas asked but why isn't Fire at the same equivalent 6% with the salary adjustment in there. Why is it only 4%?

Mr. Robinson answered I would say salary adjustment is one of the reasons but I can't speak to...

Mayor Baines interjected we can get the specifics. It sounds like there were more people in that category in that department. That is the logical answer but we will get the specifics for you.

Chief Kane stated all I can tell you is that the number we have we verified. The number is the number for us. I can't speak for the other departments.

Mr. Robinson stated one of the things that if you look at...since Fire does manage their salary by using salary and overtime, if you were to combine the two and come up with a percentage increase we are looking at a 6.98% increase.

Alderman Gatsas stated I agree but that is because their overtime is up 53%.

Alderman O'Neil stated this has nothing to do with what Alderman Gatsas is asking but just for a point it seems every year we change what is going to be in and out and it would be nice for a five year period if every year was the same. Salary adjustment is in and it is out. Health insurance is in and it is out. It seems every year it is something different and that leads to a lot of the confusion, I know, on my part. That is just an observation.

Alderman Shea asked in terms of your salary, you predicate that the salary that you have for the revised budget was \$11,835,548 for the FY01 and according to the different amounts that you spent if you add the months of May and June you will come out with \$9,718,609 or a surplus of \$1,470,579. Now I am taking it from Page 20 where it says the actual expenditures so far as of March 31 are \$8,805,464 and I am just kind of adding that up. Could you explain a little bit about how much you will have for a surplus?

Alderman Hirschmann stated it is three months, Alderman. April, May and June.

Alderman Shea stated so we will add another \$810,000 and that should come out to about \$700,000 more.

Chief Kane asked can I just clarify something. That Page 20 may not be the Fire Departments. Our page is Page 24.

Mr. Robinson answered that is Fire. The number that Alderman Shea is looking at includes regular salaries, overtime, special salaries and pension payroll.

Chief Kane stated okay but I don't have that page number specifically. The other thing that I would point out is that if you divide that figure out by 12 it really doesn't work for us because we have spikes and valleys all of the time. You can't say that June is going to be the same thing as January. We are coming into a heavier vacation period and what happens is we have an escalation during a heavy period. As soon as the kids are out of school or even close to that we go through the roof.

Alderman Shea asked so basically what you are saying is you spend more money on salaries and wages in June then you would in say March or April.

Chief Kane answered absolutely.

Alderman Shea asked are you able to tell us that you probably will be in the black this year.

Chief Kane answered I will guarantee you that I will be in the black and I am not going to give you a number. I will tell you that we are running a tight ship right now.

Mayor Baines asked can we let him finish the presentation.

Alderman Gatsas stated let me ask you one question. If we remove health insurance, worker's compensation and general liability from your budget and fund it at 100% would that make you happy?

Chief Kane replied I am a little bit confused with the question. I am not going to avoid it. How about if I ask you the same question.

Alderman Gatsas asked if I was sitting in that seat, what would my answer be.

Chief Kane stated I am trying to clarify what the question is. You want to take the health insurance money...

Alderman Gatsas interjected just listen to my question. If I remove from your budget that you requested which is \$17,071,489 health insurance, worker's compensation, general liability and dental insurance and funded it at 100% would that make you happy.

Chief Kane asked fund what at 100%.

Alderman Gatsas answered the balance.

Chief Kane asked 100% of what I requested.

Alderman Gatsas replied the answer is absolutely, Alderman.

Chief Kane stated you know what, you are absolutely correct because those line items I really don't have any control over.

Alderman Gatsas asked so the answer is.

Chief Kane answered yes.

Alderman Gatsas asked do you want to continue with your presentation.

Chief Kane answered yes and I will make it quick. Staff certification. We were looking for an addition in that because of the increase. Our radio account we are looking for an increase again. It is not really Fire Department money but it is for the citywide radio. Our batteries cost \$100 per radio and batteries have a life span of two years and then have to be replaced. Gas, oil and diesel...the cost of petroleum products for the fleet has gone up. Tires and batteries is the next one and again the cost of tires is going up. These are not big increases that we are looking for, but again these are the cost of doing business. Natural gas is a cost that has gone up a lot in the last year. The budget that we have right now reflects how much money we spent last year on that line. Therefore, we have already overspent that for this year and we are not going to end up with enough money in that line. Electricity, which is the next one is not even there. Equipment, I just talked about these three. Equipment, vehicle rust and protective clothing – we requested monies for those things. We requested money for them last year and we didn't get any money last year. Right now we do not have any money in any of those line items and that is a major concern to us. The next one is medical supplies. We were looking for a small increase there. Finally special projects, which is a whopping amount of money but those are things that buy us wellness equipment, buy us primal vents for the station, etc. It is kind of our capital project money to keep us going. That is our presentation.

Alderman Clancy asked is it true that the apparatus bay down at Engine 3 has gas heat but the station itself has electric heat.

Chief Kane answered yes but that is being handled...that will be handled over the next year or so. The electric heat is coming out of there through the Aggregation Program. The heating system at Station 3 is going to be taken care of because obviously it is a lot cheaper to do something...

Alderman Cashin interjected what do you mean through the Aggregation Program.

Alderman Clancy stated the reason I ask is because I was told and I know myself that electricity prices are out of this world. I would like to see that station down there totally gas.

Chief Kane replied that is where we are going.

Alderman Cashin asked for an explanation.



Chief Kane stated what is occurring is we, not only we but I believe other City buildings are in the same situation but in the Aggregation Program...we got into the same contract that the schools got into whereby a company came in and changed our lightbulbs thereby reducing the cost of electricity.

Alderman Cashin asked that is energy efficiency.

Chief Kane answered exactly.

Alderman Cashin asked that comes under Aggregation.

Chief Kane answered that is correct. They are administering that program. When they come in and change the lightbulbs for instance, somehow they calculate the cost of the savings and through the contract the person changing the lightbulbs gets paid.

Alderman Cashin stated that program, if I remember correctly, started with Public Building Services under Dick Houle.

Chief Kane answered I want to be real honest with you, I am not an expert on the program. I know that we are involved in the program and I know that there we were taking lightbulbs that were expensive to operate out and we are taking the electric heating system out and we are invoking energy efficient programs within our department. That is being run through Tina over at Highway.

Alderman Cashin stated I support the program, I just don't know how it got from Public Building Services to Aggregation.

Alderman Thibault stated I sit on the Aggregation Committee and I have never once heard of any savings to any department. I am confused on that also. I know that we are trying many different things but I have never heard that Fire Department or Highway or anyone else saved any money doing that.

Ms. Shaffer stated I believe that when Aggregation came into existence I believe there was a contract that was put out and the one we are most familiar with is the NORESO contract. That was basically for energy efficiency and I think it started with the School Department.

Mayor Baines stated the Aggregation Program is coming in to meet with the Finance Committee.

Chief Kane stated I think we are one of the forerunners in the program to take advantage of the cost savings.

Alderman Gatsas asked, Chief, where is the money coming from to replace the system.

Chief Kane answered I am not an expert in that.

Alderman Gatsas asked so it is not coming out of your budget.

Chief Kane answered no. It is not my program.

Alderman Gatsas asked what is the cost of replacement of the system.

Chief Kane answered I couldn't tell you.

Alderman Gatsas stated so we are just getting a system replaced at a fire station by some number that appears somewhere and the City is paying for it somehow or someplace. I don't blame you for not knowing. If it is not costing you anything I wouldn't want to know either.

Chief Kane stated they haven't done the program yet. It is on the board to be done. Alderman Clancy was talking about Engine 3 and I know that that is where we are going with it in regards to changing the electric heat to gas and I think that was the original question. Is that in our plans? Yes it is and that is going to occur through the program that is being done at the Highway Department. I am not sure if it is part of the NORESKO program or not.

Mayor Baines stated instead of speculating, why don't we get the information and come back to the Board at the next meeting.

Alderman Shea stated I just want to mention that there was a presentation made for conservation and energy reduction and they guaranteed that when they went through the schools, and it is the same kind of program that Ms. Shaffer indicated, that they would guarantee that money would be saved in terms of electricity and so forth. Somebody came through and made a presentation. I think the reason it ended up in the Highway Department was because Public Building was brought into the Highway Department. They agreed that they would save money by reducing the cost of electricity through different types of money saving devices.

Alderman Cashin replied I totally agree with that but how did it get to Aggregation. That is what I want to know.

Alderman Hirschmann stated I am a little concerned about one thing. One Page 20 of the Mayor's budget the recommended expenses for the Fire Department is \$694,000 under operating. If you look back not one calendar year but two calendar years, FY00, their actual expenditures were \$714,000 to operate the Fire Department. We are ahead two years and we are going to spend less money. I don't understand that. Are you guys getting that efficient?

Mayor Baines stated what happened was last year during the budget process we came in with a 2.5% reduction in operating costs across the board and the Aldermen reduced it an additional .5%. That is what happened during the budget process.

Chief Kane stated we had more money years ago.

Alderman Hirschmann stated but, your Honor, your recommendation doesn't make up for it.

Mayor Baines replied no. We feel in this particular budget that we have to look for some ways to increase the appropriation as we go through the budget process and look at the way that revenues are projected and updates on revenues and we would recommend some additional money being put in this budget. For this part of the process because we were looking at such a high percentage increase in insurance, salaries, etc. we felt that the prudent approach to budget going forward initially was to look at operating at the same level and that is the way we came in with our budget. We are not happy with it.

Alderman Hirschmann asked so we are going to have the same amount of personnel as in FY00 but we are going to spend less money running the Fire Department.

Mayor Baines replied every department in the City unless we increase expenditures in operating. Those are the decisions that are before us or we can look at some other creative means during the budget process to do that.

Alderman Clancy asked do you have enough clothing for all of the firefighters. If a guy is going to be on the job he should have all new clothing. He is going to be on the job for at least 20 years and he needs new clothing.

Chief Kane answered a lot of that clothing came out of what...we had reserved clothing but we use hand-me-downs.

Alderman Clancy stated but that is not a good practice really. When a guy comes on the job he should get all new equipment and he has it for the rest of his life. That is a good policy to have.

Chief Kane stated the turnout clothing that we use should have a life expectancy of five years and we tried to change that...we are not even close to a five-year plan on our clothing.

Alderman Clancy stated well you bought nothing last year so you are in the hole already.

Chief Kane replied it would be nice to say that we do that but again it is a financial thing and we certainly...

Alderman Clancy interjected I hope you put in at least \$30,000 for clothing this year.

Chief Kane replied \$70,000.

Alderman Shea asked do you have any vacancies in the Fire Department right now.

Chief Kane answered we currently have three firefighter vacancies. One vacancy occurred in March. The other two vacancies occurred May 1. We also have a vacancy for a mechanic, which occurred May 1.

Alderman Shea asked so when will you be filling those vacancies.

Chief Kane answered we currently have a rookie school going on and as soon as the rookie school stops I will start doing interviews and have another rookie school hopefully this summer.

Alderman Shea asked so from now until the end of June there will be probably four vacancies.

Chief Kane replied yes but the mechanic position I would like to fill right away.

Alderman Shea asked but you will have three vacancies for the next two months.

Chief Kane answered yes and that is not necessarily good because when I have a vacancy I have to pay overtime.

Alderman Gatsas stated I just want to make sure when I do my homework this weekend that I am in the right spot. So that I understand this correctly, in the proposed budget for FY02, either the Mayors or any departments that we are looking at in this book, it does not include any salary reserve.

Mr. Robinson replied that is correct.

Alderman Gatsas asked where is that salary reserve accounted for.

Mr. Robinson answered there is a separate line item under non-departmental or in the non-departmental section and the amount totals \$630,000.

Alderman Gatsas asked can you tell me where that is.

Alderman O'Neil answered Page 26.

Mr. Robinson stated tab 26.

Alderman Gatsas asked so the department's budget request was \$630,000 and the Mayor's recommended was \$1.480 million.

Mr. Robinson answered no. If you go to Page 13...

Alderman Gatsas asked what does the salary account adjustment mean. If I go to Page 15 am I going to find another word in that line.

Mr. Robinson answered there is no Page 15. I believe that Page 12 is adding up some accounts but I am not 100% sure which accounts they are adding up.

Alderman Gatsas asked you mean Page 11.

Mr. Robinson answered yes.

Alderman Gatsas stated Page 11 includes \$850,000 for school deficit.

Mr. Robinson replied which is not really salary.

Alderman Gatsas stated this is salary/health. Is there anything in there for health?

Mr. Robinson replied no. The health reserve would be in the Human Resource Department budget.

Alderman Gatsas asked is that tab 14.

Mr. Robinson answered tab 12.

Alderman Gatsas asked where is that.

Mr. Robinson answered if you look under the health insurance line...it is not segregated it is just part of their health insurance number.

Alderman Hirschmann asked what page.

Mr. Robinson answered Page 19.

Alderman Gatsas asked explain that to me again please.

Mr. Robinson answered the health reserve is not segregated in the Human Resource Department's budget. It is part of their health insurance line item. Their health insurance plus the reserve is in the health insurance line item.

Alderman Gatsas asked are you telling me that the only reserve we have is \$355,000. Is that what I am looking at? I don't think so. There is more money somewhere else. There has to be.

Mr. Tawney stated I used this year the vacancy rate throughout the City in order to help fund that amount so that vacant positions, all positions are fully funded for salary and benefits and the health line, I took that into consideration when I established the budget for the health insurance.

Alderman Gatsas stated there was a reserve line last year for health insurance in excess of \$1 million. It was supposed to be \$2 million and we pulled \$1 million out and left \$1 million for reserves because according to the audit we were not actuarially sound. Now where is that money if it is in that line item?

Mr. Tawney replied that was not \$1 million that was put into health. That was \$500,000 that was put into health and \$500,000 split in two and put into worker's compensation and the CGL.

Alderman Gatsas asked for a reserve.

Mr. Tawney answered yes.

Alderman Gatsas asked well where is the \$500,000 for the health.

Mr. Tawney answered when we funded it, as I recall there was a negative figure in the Human Resource line item for that and when they put the money in there that is what it came out to be.

Alderman Gatsas stated so if we didn't fund \$500,000 for a reserve account your department would have been short \$500,000. For a self-insured plan to be actuarially sound you should have about 20%-24% in reserves. Do you remember this conversation from last year? I think I see a lot of Aldermen nodding their heads saying yes we remember having this conversation. Where is the money?

Mr. Tawney replied we have never had 24%.

Alderman Gatsas stated no but we started with \$500,000. That was supposed to be in a reserve account not to be paying claims because you were supposed to be fully funded for claims or is that claims from some other department from which we did not receive money.

Mr. Tawney replied we were fully funded for the premiums plus the \$500,000.

Alderman Gatsas stated I am talking about the claim run. The claim run... you had enough money at the end of last year according to your budget to fully fund two months of claims and have a reserve of \$500,000. What happened to the \$500,000 if it is not in this budget?

Mr. Tawney replied that is all of the money I was given.

Alderman Gatsas asked did we get everything that we were supposed to... obviously that health insurance fund is attached to schools. Did we get all of their claim runs to pay for the claims on your side of the book?

Mr. Tawney answered schools funds their claims totally out of their money. This is just for the City side.

Alderman O'Neil asked, Chief, is there a difference between your request and the Mayor's recommended budget and I am going back with you Alderman Gatsas on a question about health, a number I saw here but I would like to... about \$350,000 and \$250,000 is in protective clothing, equipment and rust correct.

Chief Kane answered correct basically \$70,000 in clothing and \$250,000 in capital and then there is special projects, which is \$230,000.

Alderman O'Neil stated in all honesty, the Mayor's budget is very tight for you this year. There is not a lot of room.

Chief Kane replied I know. When one says tight it is really tighter than that. The salaries are fine but in regards to line items the funding of natural gas at last year's level is an issue and protective clothing is an issue. I just don't have the money to pay for protective clothing but natural gas. Where am I going to get the money that that increased? Last year's budget was extremely tight and this year's budget is the same.

Alderman O'Neil asked so if we found a few extra hundred thousand dollars, the Fire Department might be a good place to put it.

Chief Kane answered I certainly could use it.

Alderman Hirschmann stated this doesn't pertain to this budget cycle, but we are building the Bodwell Road Fire Station.

Chief Kane answered yes.

Alderman Hirschmann asked how many employees in FY03 will we have to put on.

Chief Kane answered 16.

Alderman Hirschmann asked 16 people next fiscal year.

Chief Kane answered that is correct.

Alderman Pariseau asked could we make a deal that the Airport have the City take over the Airport firefighting and send that Engine 3 over to the Cohas Station.

Chief Kane answered no, that wouldn't work. It is a good idea but the problem is that those firefighters that are on the Airport and I believe there are four of them, really because of FCC regulations can't leave the perimeter of the Airport. If they do, then the fire protection leaves the Airport and the Airport can't function. So it is not like you can use them in different spots. Those people that are on the Airport have to stay there inside the perimeter of the runways.

Alderman Pariseau asked could the City bid on fire service at the Airport and keep Engine 3 the way it is.

Chief Kane answered I am sure we could bid on it. It is just like any other private contract around. The City would certainly have the ability to bid on that contract



and manage the fire service down there. I am not really sure how successful we would be.

Alderman Pariseau asked have we applied for the National Fire Academy grant monies for the construction of the Bodwell Road station.

Chief Kane answered no. We looked at that because that would have been a really nice grant to get but we weren't able to do that because one of the requirements that they pulled out of the application of the grant was for funding of facilities. They didn't allow that to be put into the grant this year, although when they initially set it they said that they would fund that. They did not fund the facilities, nor did they fund people. Our application to that was for a truck. We will see how we do. There is only \$100,000 and there are 20,000 applications for it.

Alderman Shea stated we are building a civic center and have you taken into consideration certain problems that might develop there in terms of fire safety and things of that nature.

Chief Kane replied yes, we have. Actually David Albin who is here to my left has been working with the civic center since Day 1 looking at it construction wise, looking at it for fire safety, looking at it for exit capacity, looking at it for developing an disaster plan if something happens and the whole gamut. We have been working with them from Day 1. We are okay with them. We are going to require some firefighters as we do and those firefighters will be paid for by the event coordinator so there really is no cost to the City.

Alderman Shea asked how about fire apparatus. You don't need any types of fire apparatus?

Chief Kane answered no. What we have right now is...we are three blocks from there and we can handle that.

Alderman Gatsas asked, Howard, you said that the \$500,000 additional was...\$250,000 moved into general liability and \$250,000 into worker's compensation so if I go to the City Solicitor's budget I should find \$250,000 in general liability and \$250,000 in worker's compensation for reserves.

Mr. Tawney answered I haven't looked at it but...

Alderman Gatsas interjected it is Section 7, Page 7.

Alderman O'Neil asked do we need the Fire Department anymore.

Alderman Gatsas answered I don't.

Chief Kane stated I would like to thank the Mayor and his staff for working with us in developing the budget and I will work with the Aldermen over the next few months if they have any questions. I would also like to point out that next Tuesday we are going to look at transferring that land on Bodwell Road and anyone is invited up there. That is Tuesday at 1 PM at the site on East Industrial Park Drive. I think we are going to have a little ceremony with Raytheon and thank them for their contribution to the City.

Mayor Baines stated before the Chief leaves I want you to know that this is a budget that we do want to work with the Aldermen on to identify some other sources of funding and there are some other budgets that we are going to be coming in with some recommendations to amend as well.

Alderman Gatsas asked the \$150,000 in worker's compensation and \$350,000 in general liability is a total of \$500,000. That is what was moved there out of the \$1 million that we had for reserves. I am on Tab 7, Page 9. In the revised budget you see \$150,000 for worker's compensation and that was the reserve that we had and then general liability is a \$350,000 reserve that we had, which totals \$500,000. Now if you go to Page 7, those two should follow to the bottom line or on the balance sheet as a \$500,000+. I believe the Mayor, in your budget Mayor you...and we are going to give the taxpayers a little boost now and in case we don't need it maybe to the other departments but you rebudgeted that same \$500,000 in your two line items. So that would give them a reserve of \$1 million instead of only \$500,000. So there was some madness to me saying that Santa Claus might come early.

Mayor Baines replied well we want to find a lot of Santa Clauses throughout this process though.

Alderman O'Neil stated this came up when we went to Tab 26, Page 13 and for the life of me there is a line item 0918, Health Audit. We budgeted in this fiscal year \$2 million and actual expenses through March 31 are \$750 and another \$2 million is recommended. Can somebody tell me what that is all about? Tab 26, Page 13.

Mr. Robinson stated the audit that the Board has requested last year is not complete so not knowing what the number moving forward would be for next year we just did a \$2 million expense and \$2 million revenue.

Alderman Hirschmann stated so you washed it out and put it back in.

Mr. Robinson answered correct.

Alderman O'Neil asked washed it out in what year.

Mr. Robinson answered last year. Last year there was a \$2 million expense and a \$2 million revenue.

Alderman O'Neil asked where does the revenue show up. Is it on Page 11?

Alderman Hirschmann answered yes. Remember the Mayor's tally sheet? It showed on his tally sheet.

Alderman O'Neil asked why didn't it get done. I thought that was one of our priorities.

Ms. Shaffer stated I believe the Finance Department did go out to find somebody who would be willing to do that for the City and I believe that it is in its preliminary stages now. It has probably been underway for about 60 days at the most I would say.

Alderman O'Neil stated my question is and this isn't to beat up on anybody but health insurance is one of the biggest items that we have no control over. Why in March of the fiscal year were we going out on this thing and not July 2 of the fiscal year?

Ms. Shaffer replied I am not sure exactly why the bid wasn't done at an earlier time. I think probably Human Resources did have a say or should have played a role in this bid.

Mayor Baines stated we are doing a lot of guessing now. Let's wait and get an answer from the Finance Officer.

Alderman O'Neil asked can we get that answer and why just now we are going out. Now I understand why we are rolling it over to next year but...

Mr. Tawney interjected we had great difficulty finding people who were willing to bid on this. We advertised several times and went on the Internet and finally found two or three firms, interviewed them and eventually...Finance has been running it but they selected a firm and then we had an issue of getting through some confidentiality issues with Blue Cross and we finally got that resolved. We had to sign a confidentiality statement about all of the data and information and all of the data has been sent down to the firm in Alabama and they are running it through their computers. I would expect that you would probably hear something within the next month or so.

Ms. Descoteaux stated I know that Kevin Buckley was supposed to come with some information on this audit on Monday but since health insurance got moved to this Monday coming up, he will be here to discuss what the status is.

Alderman O'Neil asked so we should have information that will help us in developing or finalizing the FY02 budget.

Ms. Descoteaux answered yes. He will be here with the status of where he stands with this audit.

Alderman Gatsas asked Howard can you provide to this Board...how many bids did we have on health insurance.

Mr. Tawney replied we had two.

Alderman Gatsas asked can you provide to this Board copies of those two bids.

Mr. Tawney answered yes I can. I have copies in my office. It is quite a substantial packet of information to provide each of the members a copy.

Alderman Gatsas asked during the bid process was there anybody from this Board present to bid opening. Who was there?

Mr. Tawney answered I believe we opened the bids in the HR Committee.

Alderman Shea stated I don't remember that.

Mr. Tawney replied it was in the Mayor's insurance committee.

Alderman Gatsas asked does anybody on this Board other than myself want copies.

Alderman Cashin stated they can just give us one copy and we can pass it around.

Mr. Tawney replied sure.

Alderman Hirschmann asked did it come in under bid. Are we going to spend all \$2 million?

Mr. Tawney answered I am confused here.

Alderman Gatsas stated he is talking about the \$2 million recovery if there are claims on the audit.

Mr. Tawney asked and your question is what Alderman Hirschmann.

Alderman Hirschmann asked are we going to spend all \$2 million.

Mr. Tawney answered no but the \$2 million was that we would be able to pay a percentage to the firm that was doing the auditing so that they could recover if they recovered money for us. I think the ultimate percentage was 39% I think.

Ms. Shaffer stated that \$2 million was basically a plug figure because they weren't sure exactly how this was going to play out once they went out to bid and whether or not there would be any amounts to that extent that could be recovered so they played it safe basically and offset the expense with a revenue so that it would enable them to proceed with this project.

Alderman Gatsas asked did our insurance consultant help you negotiate that contract.

Mr. Tawney answered no. The Finance Department negotiated the contract.

Alderman Gatsas asked so we still have an insurance consultant on board that we are paying and if I remember their contract last year was \$45,000 or \$50,000 and nowhere did they help you negotiate this contract or look at any of it.

Mr. Tawney asked the audit contract or our health insurance bids. The health insurance bids they did help us negotiate.

Alderman Gatsas asked and the audit contract they did not.

Mr. Tawney answered right. I don't believe they were involved in that at all.

Mayor Baines asked was that through the Finance Department.

Ms. Shaffer answered yes.

Alderman Gatsas stated Howard on Monday I think you need to be ready to address that \$500,000 reserve.

On motion of Alderman Pariseau, duly seconded by Alderman Thibault, it was voted to adjourn.

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A True Record. Attest.

Clerk of Committee